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**CITY OF TEMPE**  
**REQUEST FOR COUNCIL ACTION**

**Council Meeting Date: 06/23/2016**  
**Agenda Item: 5A2**

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**ACTION:** Approve a fiscal year 2015-16 Capital Improvements Program (CIP) budget appropriation transfer from project number 6705159 (Electrical Improvements) to project number 6707239 (Primary Electrical Service – City Hall) to provide additional funding to cover unanticipated costs for replacement of the electrical distribution system at the City of Tempe Municipal Building Complex.

**FISCAL IMPACT:** \$79,000 of the fiscal year 2015-16 appropriations will be transferred from CIP Project No. 6705159, Electrical Improvements, to CIP Project No. 6707239, Primary Electrical Service – City Hall.

**RECOMMENDATION:** Approve the spending authority transfer.

**BACKGROUND INFORMATION:** The Primary Electrical Service - City Hall project, currently under construction, will replace the original City Hall electrical distribution panels transformer and SES, which are several decades beyond their useful life, and in need of replacement due to multiple failures in the recent past. It was determined during the design phase that the existing underground transformer and SES posed a significant risk to persons health as stood; therefore the solution of encasement was recommended and contracted. After additional exploration and investigation it was determined that the underground transformer contained hazardous materials and therefore needs to be removed upon abandonment. Therefore the City staff recommends removing the old transformer at this time to mitigate a potential long term environmental hazard. The City's contractor will remove and replace the underground vault lid and seal up portions of the vault while Arizona Public Service will remove the old transformer. The \$79,000 became available for transfer due to staff determination that the scheduled current year replacement of the electrical system distribution panel for the 525 building did not need to occur as soon as originally believed.

**ATTACHMENTS:** N/A

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Department Director: Renie Broderick, Internal Services Director  
Legal review by: Dave Park, Assistant City Attorney  
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